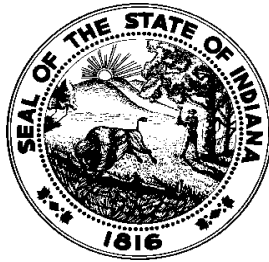


LOCAL GOVERNMENT TAX CONTROL BOARD



RECOMMENDATIONS
TO THE
DEPARTMENT OF LOCAL GOVERNMENT FINANCE
FROM
JUNE 22, 2006

Call to Order

Dave Christian called the June 22nd 2006 Local Government Tax Control Board meeting to order at 9:00 am. Board members present were Dave Christian, John Stafford, Dan Jones, Pat McGarvey (representing the State Board of Accounts), Lisa Decker, and Ken Kobe. Judy Robertson was the administrative officer for the meeting.

Discussion:
None.

Recommendation:
Ken motioned to recommend approval of the minutes from the May 25th 2006 local government tax control board meeting. Dan seconded and the motion carried 3-0-3 with Dave, John and Pat abstaining.

Jackson Township, Morgan County Emergency Fire Loan

Summary: The unit is requesting an emergency fire loan in the amount of \$50,000 for a term of one (1) year for the purpose of funding the 2006 fire contract.

Project Costs: \$50,000 Amount applied to debt: \$50,000 Annual Payment: \$53,396

Emergency Loan Calculation:

DLGF Certified Property Taxes	\$20,135
DLGF Certified Misc. Revenues	\$47,679
January 1 st Cash Balance	\$(11,827)
Total Funds Available	\$55,987

Estimated Expenses	\$106,000
Encumbrances	\$0
Total Funds Needed	\$106,000

Funds Remaining: Surplus (Need)	\$(50,013)
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Budget Advertised	\$105,000
Budget Adopted	\$105,000

Advertised Budget	\$105,000
Less Certified Budget	\$55,383
Budget cut by DLGF	\$49,617

Controlled or Uncontrolled: Controlled

Tax Rate Impact:	2006 AV	\$150,263,780
	Levy Needed	\$50,796
	Est. Tax Rate	.0338

Meeting and Publication Dates:

Date of publication for a public hearing	04/01/2006
Date of public hearing	04/18/2006
Resolution/Ordinance adopted	04/18/2006
Notice of Determination	04/22/2006

Auditor's Certificate of No Remonstrance: 05/23/2006

Attendance

The following people attended the meeting: Dan Broyer (Trustee) and Marti Broyer (Deputy Trustee).

Discussion:

We are here to request an emergency fire loan in order to make our contract payments.

Questions by board members:

John: What is your history of emergency loans?

Dan: This is the second year out of three that is needed to request a permanent increase to our maximum levy. We were approved for \$42,000 last year.

John: Then you do anticipate coming back next year?

Dan: Yes, we anticipate coming in for an additional \$50,000 or less.

Ken: How does last year's contract amount compare to this year?

Dan: We have not increased the contract amount in the last three years because of the decrease in our levy. The fire department is working with us.

Ken: Who do you contract with?

Dan: Morgantown.

Dan J.: Are you asking for loans in amounts that will keep a level rate – one that is as flat as you can?

Dan B.: We are trying to and still meet our obligations.

Recommendation:

Ken motioned to recommend approval of an emergency fire loan in the amount of \$50,000 for a term of one (1) year. Lisa seconded and the motion carried 6-0.

**Washington Township, Hendricks County
Emergency Fire Loan**

Summary: The unit is requesting an emergency fire loan in the amount of \$1,900,000 for a term of one (1) year for the purpose of funding firefighter wages, benefits and personnel.

Project Costs: \$1,900,000 Amount applied to debt: \$1,900,000 Annual Payment: \$2,012,375

Emergency Loan Calculation:

DLGF Certified Property Taxes	\$1,702,127	
DLGF Certified Misc. Revenues	\$2,143,471	* Unit showed 6 mo. in their calculation

January 1 st Cash Balance	\$419,874
Total Funds Available	\$4,265,472
Estimated Expenses	\$5,242,938
Encumbrances	\$0
Total Funds Needed	\$5,242,938
Funds Remaining: Surplus (Need)	\$(977,466)
Budget Advertised	\$6,000,000
Budget Adopted	\$5,977,342
Advertised/Adopted Budget	\$5,977,342
Less Certified Budget	\$4,129,549
Budget cut by DLGF	\$1,847,793

* The unit only picked up six months of revenue in their emergency loan calculation, not a full 12 months. The unit advertised a budget of \$6,000,000; adopted \$5,977,342, and is estimating expenses for the year of \$5,242,938. The DLGF cut their budget by \$1,847,793 and they cut their expenses by \$734,404

Controlled or Uncontrolled: Controlled

Tax Rate Impact:	2006 AV	\$1,854,169,291
	Levy Needed	\$1,891,633
	Est. Tax Rate	.1020

Meeting and Publication Dates:

Date of publication for a public hearing	05/04/2006
Date of public hearing	05/16/2006
Resolution/Ordinance adopted	05/16/2006
Notice of Determination	05/18/2006

Auditor's Certificate of No Remonstrance: 06/20/2006

Attendance

The following people attended the meeting: Steve Preston (Deputy Fire Chief), Carl Blair (Fire Chief), Ronnie Austin (Trustee), Beth Harvey (Administrator), Bruce Donaldson (Bond Counsel with Barnes & Thornburg), Brad Bingham (Bond Counsel with Barnes & Thornburg), and Bob Swintz (Financial Advisor).

Discussion:

We were here the last time in 2003 and at that time promised we would not be back in 2004. We kept that promise and made it through 2005, but we will not be able to make it through 2006. We are asking for only what we need; our request does not include a wish list or any fluff. Over the last several years we have had to shut down apparatuses because there was no one to man them, lay off five staff personnel and close down a fire station periodically in order to stay under budget. We need to hire back those five people and hire an additional ten firefighters. We need to make it so that we can provide service to the people.

Our population is now over 40,000 and we need to keep them here. We will not guarantee this time that we will not be back next year, because I think we will.

Questions by board members:

Ken: What is your service area?

Ronnie: We are the only township that has everything; we have a township assistance fund, a park & recreation fund, fire fund, EMS fund, paramedics and also provide mutual aid with other surrounding townships.

Ken: Do those other townships reimburse you for runs made to their area?

Ronnie: No, they provide mutual aid to us – you have to have mutual aid in order to provide service.

Ken: Is providing mutual aid a net gain or loss for you?

Ronnie: It is not a financial gain, but service-wise, it is a huge gain.

Dave: What was the amount of your last emergency loan?

Ronnie: In 2003 we were approved for \$1,800,000. We really struggled last year to stay within our budget.

Fire Chief: In 2004 we had to shut down the ambulance 171 times and closed the fire house twice for a total of 36 hours (see list for complete detail of apparatus shut-downs and firehouse closings).

Dave: What kind of effect did that have on providing services?

Fire Chief: It drastically affected our ability to serve people in distress.

Dave: Did you lose any property or people because you did not provide service?

Fire Chief: I do not have that kind of statistic. One instance I know of is when an elderly lady suffered a heart attack. She lived within a quarter of a mile from the fire house, but it was closed at the time. It took us seventeen minutes to get to her from another fire house, and minutes count when you are having a heart attack. We are on track to have over 3,000 runs this year.

Lisa: Has there been any negative public comments or objections?

Ronnie: None.

John: The strategy of the last unit here earlier was to borrow for three years in order to permanently increase their levy. With you coming only every two years or so, doesn't that make your levy go up and down like a roller coaster?

Ronnie: When I took office over three years ago, the township was almost bankrupt. It has taken us three years to get us to where we can plan for the future. It has taken this long to straighten things out. Because of the growth in our township, I know I will be back next year.

Dan: When will you qualify for the three-year appeal?

Bob Swintz: In 2008 for pay 2009.

Dan: Do all of your certified shares go into the fire fund?

Bob: Yes.

Dan: What is the trend of your share amounts?

Ronnie: I don't know – I did not bring that information with me.

Dave: What is the tax rate impact of this request?

Bob: About nine cents.

John: What was the amount of your three-year growth appeal?

Bob: We were approved for \$35,000.

John: It would help, in the future, to have a three to four year history available for us to see trends.

Ken: How did you finance the 2004 & 2005 budgets?

Beth: Capital expenses did not occur, we closed down the fire house, no repairs or maintenance was done. The only things we financed were salaries, training and benefits.

Dave: How will you fund capital expenses in the future since this loan is for wages, personnel & benefits only?

Beth: It is a continuous struggle.

Bob: They will need to turn to bonding.

Dan: On page three of the hearing information sheet, you have reported a cash balance of \$866,000 in the cumulative fire fund – why do you have a problem funding capital expense with a cash balance like that?

Beth: That balance is dedicated for current on-going projects. We have recently built a new fire station and the money is needed to complete that project and to purchase new apparatus for it. If you cannot staff an apparatus, there is no need to buy them.

Deputy Fire Chief: All of our apparatus are ok right now, they are all fairly new.

Ronnie: We bought a new ambulance out of that fund, but the remaining cash balance is earmarked for other uses. We had to bond to construct the fire station in 2004.

John: It must have taken several years to build up that cash balance.

Ronnie: We have not spent anything out of it. It has taken us this long to realize what we have and to plan for our needs. Another problem we face is the continuing annexations by Plainfield and the increased area to provide service for. We need to be able to meet those needs.

John: Do you have an agreement with Plainfield?

Ronnie: You do not agree with Plainfield on anything. They do not talk with us. They do not even service their own district, we do.

Dave: You are strapped for money, shutting down a fire house, and you want to build a new headquarters?

Ronnie: It is not a new building, but an old building that we want to renovate to provide a combination of services: a fire headquarters, a park & recreation office, a fire station and a training center for firefighters.

Ken: We are a fact finding board for the Commissioner and it would help to have that history.

Bob: We will get it to you.

Dan: Before we make a recommendation, we need to make a calculation adjustment because the amount reported for revenues was expenses were reported incorrectly. The adjusted levy needed is \$1,518,440, which means that the loan amount should be \$1,711,870.

Recommendation:

John motioned to recommend approval of an emergency fire loan in the amount of \$1,711,870 for a term of one (1) year based on additional information being provided to the DLGF. Lisa seconded and the motion carried 5-1 with Ken abstaining.

**Zionsville Fire Protection Territory, Boone County
Establishment of a Levy**

Summary: The unit is requesting a levy to support the newly formed unit established in December, 2005 through January 2006, and will be effective to collect property taxes in 2007.

Fund	Budget	Levy	Rate
General	\$2,085,937	\$1,759,500	.1110
Equipment Replacement	\$576,400	\$528,017	.0333

Public Hearings:

Town of Zionsville	12/05/2005
Eagle Township	12/07/2005

Resolutions:

Zionsville Fire Department	12/20/2004	
Town of Zionsville	01/03/2006 & 01/09/2006	(Provider Unit)
Eagle Township	01/04/2006 & 01/17/2006	

Interlocal Cooperation Agreement signed 01/09 & 17/2006

Budget Information:

Personnel		Supplies	
Salaries/Wages	\$1,140,000	Office	\$8,500
Benefits	\$507,537	Operating	\$13,700
Other		Repair/Maintenance	\$27,500
	<u>\$1,647,537</u>	Other	<u>\$33,200</u>
			\$82,900
Other		Capital Outlay	
Professional	\$15,000	Land	\$0
Communications	\$24,600	Buildings	\$0
Printing/Advertising	\$1,500	Improvements	\$0
Utility	\$31,500	Machinery/Equipment	\$0
Repairs/Maintenance	\$48,500	Other	<u>\$3,150</u>
Rentals	\$0		<u>\$3,150</u>
Debt Service	\$35,000		
Other	<u>\$196,250</u>		
	\$352,350	Total Budget	\$2,085,937

Benefits should be no more than 15% of salaries. This unit's benefit line item is 45% of salaries.

Highest line items Pension costs = \$152,188 Health insurance = \$250,800

Is the unit paying 100% of the premiums for health insurance?

Attendance

The following people attended the meeting: Judith Essex (Trustee), Richard Crane (President of Town Council), Kostas Poulakidas (Attorney with Kreig DeVault, LLP), Paige Gregory (Financial Advisor with H.J. Umbaugh), and James Van Gorder (Fire Chief).

Discussion:

Richard Crane: We are here today to request permission to form a fire territory and approve the funding mechanism to provide fire protection and emergency services in Eagle Township and the Town of Zionsville (reading from a prepared statement – see file for complete comments). Some of the highlights of the statement are:

- Zionsville & Eagle Township have been served by a volunteer fire department since 1930
- Entered into an inter-local agreement in 2001 as a supplement to the volunteer company
- The fire chief completed a strategic plan in 2004

Judith: It was evident to me that the cost of fire protection was going to be an increasing concern (reading from a prepared statement – see file for complete comments). Some of the highlights from that statement are:

- Growth of community created a growing concern on maintaining level of fire protection service
- A fire territory has been a topic of discussion since 1998
- A meeting was called on September 29th, 2003 with four townships in southeast Boone County & the Town of Zionsville
- Decision made in December of 2004 to create territory between Eagle Township & Zionsville
- Agreement is basically a continuation of the inter-local agreement

Kostas: I would like to detail the timeline and the completion of the statutory requirements taken to form the territory. It is a well thought out strategic plan that entailed a lot of time. There have been seven public meetings since the fall of last year. Zionsville and Eagle Township have gone above what the requirements are to form a territory.

Questions by board members:

Dan: Did the township pass a resolution or an ordinance?

Judith: A resolution, townships do not pass ordinances.

Dan: The statute says identical ordinances.

Judith: Then the law needs to be corrected.

Ken: Can the other townships join the territory?

Dick: Yes, if they want to. We made sure that we worded everything so that others could join in.

Paige: We have analyzed the current and future needs of the fire department (reading from prepared statement - see file for complete details). Some of the highlights of the presentation are:

- Proposed budget of \$2.1 million necessary to provide service
- Total revenue is expected to be \$2.5 million
- Budget allows for an operating balance of twenty percent (20%).
- Equipment Replacement fund is at the maximum allowed, .0333, which is based on a schedule

- Tax impact on a \$100,000 assessed home

Lisa: Were there any public comments or objections?

Judith: No objections.

Fire Chief: There were three people in attendance. Two spoke in favor of the territory and one was from a neighboring township and wanted to know if they could join the territory.

John: What will be the impact on the budget?

Paige: The DLGF will reduce the levy of the township and the town based on what goes to the territory.

That is easy to determine for the township, since they have a separate fire fund. It is a little more complicated to determine the amount for the town. The levy will be reduced for the township by approximately \$151,000, which includes the cumulative fire fund. For the town, based on the percentage of fire appropriation to the general fund, the levy reduction will be about \$270,000 plus a loss in COIT of \$38,600.

John: In the current system, the township & Town is paying about \$900,000 for fire service, and the territory is going to have a budget of \$2.5 million – why such a huge increase?

Paige: They are preparing for the growth that is already happening. They have three years to build up their levy before it is frozen.

Judith: We will need to build a new station to service the west part of the township.

Dan: What is the population of the territory?

Fire Chief: It is estimated to be 25,000 – 26,000 and covers 26 square miles.

John: Is Zionsville entirely in Eagle Township?

Dick: Yes, and there are no plans to go outside of the township.

John: Has the four-year budget projection included here been made available to your constituents?

Fire Chief: Yes and it has been made a part of the strategic plan.

Dick: The budget will be treated the same as all of our other funds, which means it will be advertised and adopted by the Council. It will not be swept under the rug.

Ken: You anticipate that your operating expenses will increase about 30% per year?

Dick: Yes because we are not providing adequate service now and we will need to ramp up.

Dan: I am still confused about whether a resolution is allowable versus an ordinance.

Kostas: We interpreted the intent and context of the statute, which was that the wording had to be identical, which is what we did.

Dan: I do not think we have the authority to specify an amount, since they have no max levy. All we can authorize is for them to levy taxes.

Recommendation:

Dan motioned to recommend approval for the territory to levy taxes for pay 2007, contingent upon a resolution by the township is sufficient to meet the statute requirement. Lisa seconded and the motion carried 6-0.

Haubstadt-Johnson Township Fire Protection Territory, Gibson County **Establishment of a Levy**

Summary: The unit is requesting a levy to support the newly formed unit established in February 2006 and will be effective to collect property taxes in 2007.

	Budget	Levy	Rate
General	\$175,000	\$189,190	.1125
Equipment Replacement	\$62,000	\$55.990	.0333

Public Hearings:
Town of Haubstadt 01/25/2006

Resolutions:
Town of Haubstadt 02/06/2006
Johnson Township 02/06/2006

Interlocal Cooperation Agreement signed 09/06/2005

Budget Information:

Personnel		Supplies	
Salaries/Wages	\$0	Office	\$10,000
Benefits	\$14,400	Operating	\$60,800
Other		Repair/Maintenance	\$5,000
	<u>\$14,400</u>	Other	<u>\$1,200</u>
			\$77,000
Other		Capital Outlay	
Professional	\$11,500	Land	\$0
Communications	\$1,200	Buildings	\$0
Printing/Advertising	\$0	Improvements	\$0
Utility	\$7,000	Machinery/Equipment	\$0
Repairs/Maintenance	\$12,500	Other	<u>\$0</u>
Rentals	\$0		
Debt Service	\$0		
Other	<u>\$51,400</u>		
	<u>\$83,600</u>	Total Budget	\$175,000

Attendance

The following people attended the meeting: Paige Gregory (Financial Advisor with H.J. Umbaugh) and Belvia Hiadari (Financial Advisor with H.J. Umbaugh).

Discussion:

Paige: The Territory was established on February 6th and so met the requirement of March 1st. The Council unanimously voted on the territory and there were no objections from taxpayers. Prior to the establishment of the territory, the unit must hold a public hearing. The hearing was held January 25th and was advertised on January 10th.

Haubstadt does have a current debt with an outstanding balance of \$95,000. The Town and the Township have enough cash balance in their cumulative funds to retire the debt and will do so before the end of the year. The requested budget allows for a twenty percent operating balance. Gibson County does not have COIT or CAGIT, so there will be no additional income taxes to account for. The estimated impact will be approximately \$77 for both the Town and the Township on a \$100,000 valued home. This will increase the levy by about nine percent (9%). The town's levy will be reduced about \$16,000 and the township by \$37,000.

Questions by board members:

Lisa: Is this an all-volunteer fire department?

Paige: Yes, there is no need to go to a full-time paid fire department yet.

Ken: How did this all come about?

Paige: Because of discussions between the town and township, it became obvious that there was a need to be more efficient and a fire territory will allow them to do that, based on the increase in the tax base. It is a small community. Taxpayers were in attendance asking questions, but there were no objections or negative comments.

Dave: If you changed to a contractual fire department from a volunteer, or to a full-time paid department, would you have to come back here again?

Dan: They would have to apply for an appeal; this is their one and only chance to establish a levy.

Paige: This is not a growing community. They are very confident that this is what they need.

Ken: Are we seeing a trend in territories being established?

Paige: I would say yes. It is a great way to fund fire service because of the limits on max levies.

John: Is there a reason why no elected officials chose to attend the hearing?

Paige: Cost reasons basically; it is a three-hour drive here and back, and the fire chief has to work.

Dan: Was everything done timely?

Paige: Yes.

Dan: Was the impact discussed at the public hearing?

Paige: Yes, they received the same paperwork that I gave you.

Recommendation:

Dan motioned to recommend approval for the territory to levy taxes for pay 2007, contingent upon a resolution by the township is sufficient to meet the statute requirement. Lisa seconded and the motion carried 6-0.

**Georgetown Township Fire District, Floyd County
Establishment of a Levy**

Summary: The unit is requesting a levy to support the newly formed unit established February 7th 2006, and will be effective to collect property taxes in 2007.

Requesting:	Budget	Levy	Rate
	\$1,150,050	\$818,365	.2318

Resolutions: 02/07/2006

Budget:			
Personnel		Supplies	
Salaries/Wages	\$528,713	Office	\$10,000
Benefits	\$196,837	Operating	\$31,500
Other		Repair/Maintenance	\$0
	<u>\$725,550</u>	Other	<u>\$0</u>
			<u>\$41,500</u>
Other		Capital Outlay	
Professional	\$43,000	Land	\$0
Communications	\$8,500	Buildings	\$0
Printing/Advertising	\$3,000	Improvements	\$0
Utility	\$17,000	Machinery/Equipment	\$164,500
Insurance	\$35,000	Other	<u>\$0</u>
Repairs/Maintenance	\$41,000		<u>\$164,500</u>
Rentals	\$0		
Debt Service	\$0		
Other	\$71,000		
	<u>\$218,500</u>	Total Budget	\$1,150,050

Benefits are 37% of salaries.

Capital Outlays capitalized over five years = \$32,900

Revised	Budget needed	Levy needed	Rate needed
	\$1,018,450	\$686,756	.1945

Attendance

The following people attended the meeting: Frank Cummings (Consultant), Steve Hardin (Chairman), Brad Nave (Resident), Richard Kemp (Financial Officer), and Terry Herthel (Fire Chief).

Discussion:

Frank: I have been working with Georgetown since January of 2005. There have been a lot of public meetings. Taxpayers and home owners have been involved with the budget and establishing the needs for the fire department. Currently, they cannot provide the services that are needed. I prepared a worksheet which I distributed at all public meetings detailing the tax impact.

Steve: We have been restrained in funding our fire department. We went out seeking the necessary funding. The fire department board was appointed in April 2005 and since then has met every week to come up with a budget. It is a real budget, not a padded one. We are a bedroom community for Louisville and our taxpayers expect a high quality of service, which we cannot provide. We are twenty miles away

from the 16th largest city in the U.S. and are experiencing rapid growth. Our community is the first line defense in case of a terrorist attack or a catastrophe. We are drastically in need of having twenty-four full-time firefighters to work with our strong volunteer base. We need to raise the level of care beyond that and have a twenty-four hour paramedic on hand.

I have here a letter from Pam Perkinson, a resident of our district, in favor of our request (see file for letter).

Brad: We are dealing with the problem of our response time to emergencies – it is way too slow. People's health and lives are in jeopardy. Many times there is confusion and debate over who is going to respond to the emergency. It is not automatic that help will arrive when you dial 911.

Questions by board members:

Dave: When you say it takes an inordinate amount of time, how long are you talking about?

Brad: It normally takes thirty minutes to respond to a call.

Dave: What is the difference between a territory and a district?

Dan: A lot of it is in the control of levies. We will actually approve a levy for this unit.

Frank: A fire territory is more like a conservancy district.

Ken: Is the Town of Georgetown entirely within the township?

Frank: Yes, it is.

John: What is the tax rate impact?

Steve: On a \$100,000 home, the impact would be \$26.90 for the town and \$84.36 for the township.

John: Where is the funding coming from now?

Frank: The tax levy that the township raises is to meet the contract payment with the volunteer fire department. The town also contracts with the fire department.

John: Will the town's general fund levy be decreased?

Steve: I do not know the answer to that.

Frank: I do not think that the DLGF reduces the max levy. In answer to your earlier question, the town has a \$40,000 contract with the volunteer fire department.

Dan: I believe the DLGF will reduce the town's levy.

Ken: What is the township's levy for fire service?

Frank: The rate was seven cents in 2005 – 3 ½ cents for fire and 3 ⅓ cents for the cum fire fund.

Ken: How much of the \$1.1 million will be provided by funding from the levy?

Frank: \$106 from the town and \$40,000 from the township.

Ken: You are going from a budget of \$150,000 to a budget of \$1.1 million?

Frank: Yes.

John: What is your chain of command?

Steve: The fire district will hire a full time fire chief and we will turn over our assets to the district. The Fire District Board will run the district.

Frank: The township board and town council are both in full support, also the county commissioners.

John: Tell me what has occurred to raise the levy from \$150,000 to \$1,100,000.

Steve: We are a growing community; our EMS runs have increased rapidly. A big portion of the budget is to hire full time firefighters and to staff the station 24/7.

Richard: UPS is building a main distributing hub right there in Louisville. The growth in our bedroom community has just exploded.

Ken: How many of these positions are already existing positions?

Steve: We currently have no paid firefighters.

Frank: They can get volunteers for the second and third shifts, but not for the first, during the day when everyone is at work.

John: Who again are the elected officials who approved this?

Frank: The county commissioners, the town council, the township board, and the taxpayers who signed the petition.

John: Judy, why have you reduced the max levy?

Judy: Because the DLGF usually allows only twenty percent of capital outlays. That is capitalizing it over a five-year time period. Since this is a permanent levy, we do not allow them to have all the capital outlay expense in one year.

Frank: I knew that and thank you Judy for reminding me of that. One thing that I might mention is the \$66,000 payment is needed annually for the next seven years. It is a loan repayment for equipment and should probably have been listed elsewhere.

Richard: We cannot reduce the payment to the bank.

Steve: Some of the information was hard to get to because of litigation due to embezzling.

Dave: I think that you need to get an MOU in place from the township or advisory board, and the town, stating that they are going to turn their equipment over to the district. You never know what is going to happen and sometimes verbal agreements are not always followed through on.

John: I think it is imperative.

Recommendation:

John motioned to recommend approval of a maximum levy in the amount of \$740,000 adjusted for capital outlays being capitalized over five years and subject to the district providing the Commissioner resolutions from the township board and the town council agreeing to provide the district with the land, building, and equipment. Lisa seconded and the motion carried 6-0.

Lafayette Township Fire District, Floyd County Establishment of a Levy

Summary: The unit is requesting a levy to support the newly formed unit established February 7th 2006, and will be effective to collect property taxes in 2007.

Fund:	Budget	Levy	Rate
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General \$879,300 \$604,200 .1550

Resolutions: 02/07/2006

Budget:			
Personnel		Supplies	
Salaries/Wages	\$424,700	Office	\$4,900
Benefits	\$165,950	Operating	\$25,700
Other		Repair/Maintenance	\$0
	<u>\$590,650</u>	Other	<u>\$0</u>
			<u>\$30,600</u>
Other		Capital Outlay	
Professional	\$43,500	Land	\$0
Communications	\$8,950	Buildings	\$0
Printing/Advertising	\$1,800	Improvements	\$0
Utility	\$17,100	Machinery/Equipment	\$21,550
Insurance	\$25,500	Other	<u>\$0</u>
Repairs/Maintenance	\$53,500		<u>\$21,550</u>
Rentals	\$0		
Debt Service	\$48,500		
Other	\$37,650		
	<u>\$236,500</u>	Total Budget	\$879,300

Benefits are 39% of salaries.

Capital Outlays capitalized over five years = \$4,310

Revised	Budget needed	Levy needed	Rate needed
	\$862,060	\$586,980	.1506

Attendance

The following people attended the meeting: Frank Cummings (Consultant), Charles Staser (Chairman), Herman Beuchler (Board Member), Jeremy Klein (Assistant Chief), Terry Meek (Fire Chief), and E. Todd Schindler (Deputy Fire Chief).

Discussion:

Jeremy (reading from a prepared statement – see file for complete discussion). Highlights of statement:

- Cover 26 ½ square miles, primarily residential with some commercial businesses
- Rezoning will cause drastic changes in the near future, with some development already occurring
- Fourteen large subdivisions in the first phase, and several commercial projects
- People moving to area work in Louisville and expect the same level of service
- Four main areas of concern
 - Manpower
 - Rising demand for services without delays
 - Current technology
 - Funding

- Taxpayers have already accepted increase in taxes
- Work load is too great for volunteers which causes delays and long response times
- Staffing is below NFPA and OSHA standards
- Currently do not have a fire prevention program

The unit also submitted a detail of their operating expense with justifications, a pay scale justification, a net assessed value history, and a 2005 property tax summary statistics worksheet for Floyd County.

Questions by board members:

Ken: Are there any other towns in the township?

Jeremy: No; we (the fire department) own eleven pieces of equipment plus two stations. The township owns two pieces. We have a verbal agreement with the county commissioners, whose son is the trustee, to turn over all the equipment to the district. The district will assume the debt from the fire department for three pieces of equipment.

Ken: Who oversees the district?

Jeremy: The commissioners appoint the Board of Directors.

Dave: Did the township or district do an ordinance or a resolution, since townships cannot do ordinances?

Frank: The Township did a resolution.

Dan: Are all three districts contiguous? If so, why not do one district?

Jeremy: Yes, they are all contiguous, but we did not combine because of the impact to the tax base. The township would not be taxed uniformly, nor could the taxes be imposed the same, because of the disparity in taxes currently. We did it this way because that is what the taxpayers want.

Frank: The county commissioners asked that question and the community is not ready for that yet.

Answer: Change can rip a community apart and they supported us this way.

Dan: Did you get an Auditor's Certificate verifying the petition? If so, we would like a copy of it.

Recommendation:

Ken motioned to recommend approval of a maximum levy in the amount of \$586,980 for the general fund subject to agreements on equipment being provided and new forms submitted with corrected dates. Lisa seconded and the motion carried 6-0.

New Albany Township Fire District, Floyd County Establishment of a Levy

Summary: The unit is requesting a levy to support the newly formed unit established February 7th 2006, and will be effective to collect property taxes in 2007.

Fund	Budget	Levy	Rate
General	\$999,900	\$699,000	.1221

Resolutions: 02/07/2006

Budget: Territory			
Personnel		Supplies	
Salaries/Wages	\$2,250	Office	\$1,000
Other	\$0	Other	\$0
	<u>\$2,250</u>		<u>\$1,000</u>
Other		Capital Outlay	
Professional	\$7,500	Other	\$0
Communications	\$500		<u>\$0</u>
Printing/Advertising	\$300		
Other	\$988,000		
	<u>\$996,300</u>	Total Budget	\$999,550
Budget: Fire Department			
Personnel		Supplies	
Salaries/Wages	\$600,000	Office	\$4,500
Benefits	\$151,500	Operating	\$43,000
Other		Repair/Maintenance	\$0
	<u>\$751,500</u>	Other	\$0
			<u>\$47,500</u>
Other		Capital Outlay	
Professional	\$19,000	Land	\$0
Communications	\$15,000	Buildings	\$0
Printing/Advertising	\$0	Improvements	\$0
Utility	\$15,000	Machinery/Equipment	\$20,000
Insurance	\$40,000	Other	\$0
Repairs/Maintenance	\$54,000		<u>\$20,000</u>
Rentals	\$0		
Debt Service	\$0		
Other	\$26,000		
	<u>\$169,000</u>	Total Budget	\$988,000

The fire department's benefits are 25% of salaries.

The fire department has already capitalized their capital outlay over a five-year period. No adjustment is needed to budget, levy or rate.

Attendance

The following people attended the meeting: Frank Cummings (Consultant), Jamey Noel (Fire Chief), Gilbert Kinney (Fiscal Officer), Robert Headrick (Chairman), and Keith N. Caudill (Secretary).

Discussion:

Dave: Do you have an agreement from the trustee on turning the equipment over to the district?

Frank: Not yet, we will get that. This unit is a little different since they are going to contract with the fire department for service.

Jamey: I will be brief (see presentation). Some highlights of the presentation:

- Geographical area

- Apartment buildings and commercial businesses under construction
- History of assessed value
- History of emergency runs

We are strapped to the hilt on funding. The township is cut in half by the Town of New Albany. Our budget is at the bare minimum. There have been no objections at any of the public hearings.

Questions by board members:

John: How much of the township is incorporated?

Jamey: About half, we have six stations to cover the service area.

John: Is New Albany going to continue to annex?

Jamey: They are kind of being held up because of sewer issues. There are no actual plans to expand for the next ten years.

Ken: Who are you currently contracting with?

Jamey: The New Chappel Fire Department.

Ken: What is the reason to contract for fire protection?

Jamey: It is the norm for the surrounding areas. It also allows us to provide EMS service, which the township does not have.

Robert: It is also cheaper. It is better to let people who know what they are doing go ahead and do it rather than us trying to run our own fire station.

Frank: Their neighbor, Clark County, has four or five districts and they all contract for fire service.

Ken: \$980,000 is your total budget?

Jamey: Correct; our ambulance is privately funded via billings.

Ken: Does your chart include EMS runs?

Jamey: No, the number would be up in the 1,000's if we did that.

Recommendation:

John motioned to recommend approval of a maximum levy in the amount of \$699,000 for the general fund subject to agreements on equipment being provided and new forms submitted with corrected dates. Lisa seconded and the motion carried 6-0.

Elberfeld-Greer Township Fire Protection Territory, Warrick County Establishment of a Levy

Summary: The unit is requesting a levy to support the newly formed unit established January 17th 2006, and will be effective to collect property taxes in 2007.

Fund:	Budget	Levy	Rate
General	\$68,810	\$74,390	.1111
Equipment Replacement	\$6,000	\$22,300	.0333

Public Hearings:

Town of Elberfeld	01/26/2006
Greer Township	01/26/2006

Resolutions:

Town of Elberfeld	02/20/2006	(Provider Unit)
Greer Township	02/20/2006	

Interlocal Cooperation Agreement signed 08/08/2005

Budget Information:

Budget:			
Personnel		Supplies	
Salaries/Wages	\$0	Office	\$700
Benefits	\$7,200	Operating	\$17,000
Other		Repair/Maintenance	\$11,000
	<u>\$7,200</u>	Other	<u>\$4,300</u>
			<u>\$33,000</u>
Other		Capital Outlay	
Professional	\$1,200	Land	\$0
Communications	\$2,250	Buildings	\$0
Printing/Advertising	\$0	Improvements	\$0
Utility	\$5,600	Machinery/Equipment	\$0
Insurance	\$0	Other	<u>\$0</u>
Repairs/Maintenance	\$3,000		
Rentals	\$0		
Debt Service	\$0		
Other	\$16,560		
	<u>\$28,610</u>	Total Budget	\$68,810

Attendance

The following people attended the meeting: Paige Gregory (Financial Advisor with H.J. Umbaugh) and Belvia Hiadari (Financial Advisor with H.J. Umbaugh).

Discussion:

We are here representing the Elberfeld-Greer Township Fire Protection Territory and to request the authority to levy taxes. The Territory was established on February 20th and so meets the March 1st deadline. They held a public hearing on January 26th. Neither unit has existing debt. The budget does allow for a twenty percent operating balance.

The tax rate impact is as follows:

The Township currently pays \$9 for fire service and the will increase eleven percent to \$85. The Town is currently paying \$51 and that will increase by \$40, a four percent increase. The Town's levy will be reduced approximately \$16,000 and the Greer Township's will decrease by \$13,000. The town owns all the equipment.

Questions by board members:

John: Why a territory instead of a district?

Paige: The County Commissioners establishes a district and appoints the members of the board. The township felt that the County would have more control this way.

Recommendation:

Dan motioned to recommend approval for the territory to levy taxes for pay 2007, contingent upon a resolution by the township is sufficient to meet the statute requirement. Lisa seconded and the motion carried 6-0.

**Harris Township, St. Joseph County
Emergency Fire Loan**

Summary: The unit is requesting an emergency fire loan in the amount of \$582,729 for a term of one (1) year for the purpose of funding the 2006 budget.

Project Costs: \$582,729 Amount applied to debt: \$582,729 Annual Payment: \$620,148

Emergency Loan Calculation:

DLGF Certified Property Taxes	\$786,382	
DLGF Certified Misc. Revenues	74,243	+ Ambulance billing in 2005 for \$46,393
January 1 st Cash Balance	\$-4,382	
Total Funds Available	\$856,243	
Estimated Expenses	\$1,497,587	
Encumbrances	\$0	
Total Funds Needed	\$1,497,587	
Funds Remaining: Surplus (Need)	(\$641,344)	
Budget Advertised	\$1,497,587	
Budget Adopted	\$1,497,587	
Advertised Budget	\$1,497,587	
Less Certified Budget	\$872,847	
Budget cut by DLGF	\$624,740	

Controlled or Uncontrolled: Controlled

Tax Rate Impact:	2006 AV	\$1,095,239,050
	Levy Needed	\$620,148
	Est. Tax Rate	.0566

Meeting and Publication Dates:

Date of publication for a public hearing	04/20/2006
Date of public hearing	05/01/2006
Resolution/Ordinance adopted	05/01/2006
Notice of Determination	05/04/2006

Auditor's Certificate of No Remonstrance: 06/19/2006

Attendance

The following people attended the meeting: C. Sue Dylewski (Trustee).

Discussion:

This is my seventh time to appear. I appealed last year for \$400,000 but my 1782 Notice was only for \$200,000. I don't know why it was reduced. I would like someone to explain that to me. I have an ambulance service and took the amount of the billings minus the ambulance contract and deducted that amount from the amount we are asking for.

Questions by board members:

Ken: Are you going to appeal again?

Sue: Yes, once we qualify again.

Recommendation:

Dan motioned to recommend approval of an emergency fire loan in the amount of \$594,951 for a term of one (1) year. John seconded and the motion carried 6-0.

German Township, St. Joseph County Emergency Fire Loan

Summary: The unit is requesting an emergency fire loan in the amount of \$100,000 for a term of one (1) year for the purpose of funding the 2006 operating expenses.

Project Costs: \$100,000 Amount applied to debt: \$100,000 Annual Payment: \$107,000

Emergency Loan Calculation:

DLGF Certified Property Taxes	\$156,902
DLGF Certified Misc. Revenues	\$47,526
January 1 st Cash Balance	\$3,464
Total Funds Available	\$207,892

Estimated Expenses	\$313,285
Encumbrances	\$0
Total Funds Needed	\$313,285

Funds Remaining: Surplus (Need)	(\$105,393)
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Budget Advertised	\$314,155
Budget Adopted	\$313,285

Advertised/Adopted Budget	\$313,285
Less Certified Budget	\$157,674
Budget cut by DLGF	\$155,611

Controlled or Uncontrolled: Controlled

Revenue Source for Property Tax Backup: N/A

Tax Rate Impact:	2006 AV	\$175,898,805
	Levy Needed	\$107,000
	Est. Tax Rate	.0608

Meeting and Publication Dates:

Date of publication for a public hearing	05/04/2006
Date of public hearing	05/15/2006
Resolution/Ordinance adopted	05/15/2006
Notice of Determination	05/18/2006

Auditor's Certificate of No Remonstrance: 06/19/2006

Attendance:

The following people attended the meeting: Joseph E. Talbot (Fire Chief).

Discussion:

We were hoping to enter into a territory with the Clay Fire Territory, but were held up by one of the participating units. We have instead entered into an inter-local agreement. Our township is split by South Bend. The airport expanded and we sold one of our stations to them for \$112,000. That money was used to reduce the amount of the loan we will need to borrow.

Questions by board members:

Dave: Are you going to go forward with the Territory?

Joseph: Yes; we may need to borrow for one more year until we are incorporated into the territory, and then that should be it.

Ken: You will form a territory with South Bend?

Joseph: No, we will be incorporated into the Clay Fire Territory.

Ken: Does South Bend have some annexed areas that you provide service to?

Joseph: Yes, South Bend does have a few areas. We provide mutual aid to the South Bend Airport.

Recommendation:

Lisa motioned to recommend approval of an emergency fire loan in the amount of \$100,000 for a term of one (1) year. Ken seconded and the motion carried 6-0.

**City of Jeffersonville, Clark County
Lease Financing**

Summary: The unit is requesting approval to execute a lease to finance the acquisition, construction, installation and equipping of land, buildings, structures and improvements comprising the renovation of Fire Station #2 and headquarters. Maximum annual lease rental payments will not exceed \$400,000 for a term of twenty-one (21) years.

Project Costs: \$4,010,000 Amount applied to debt: \$4,010,000 Annual Payment: \$400,000

Controlled or Uncontrolled: Uncontrolled

Revenue Source for Property Tax Backup: Tax Increment Financing (TIF)

Tax Rate Impact:	2006 AV	\$976,356,890
	Levy Needed	\$400,000
	Est. Tax Rate	.0410

Meeting and Publication Dates:

Date of publication for a public hearing	04/21/2006
Date of public hearing	05/01/2006
Resolution/Ordinance adopted	05/01 & 24/2006
Notice of Determination	5/25/2006 & 06/01/2006

Auditor's Certificate of No Remonstrance: 06/06/2006

Common Construction Wage: 06/12/2006

Tax Rate Impact:

	Tax Rate Impact on Typical Homeowner				
Assessed Value of Home	\$50,000	\$100,000	\$150,000	\$200,000	\$250,000
Mortgage Deduction	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Homestead Deduction	\$25,000	\$35,000	\$35,000	\$35,000	\$35,000
Taxable Value of Home	\$22,000	\$62,000	\$112,000	\$162,000	\$212,000
Tax Rate	4.1000%	4.1000%	4.1000%	4.1000%	4.1000%
Tax Impact	\$9	\$25	\$46	\$66	\$87

Attendance

The following people attended the meeting: Herschel Frierson (Accountant with Crowe Chizek), Rob Walz (Mayor), Clark E. Miles (Fire Chief), Ronald G. Ellis (Street Commissioner), Leslie D. Merkley (City Attorney), Tony Decker (Deputy Fire Chief), Mark McCabe (Financial Advisor), Sue Beesley (Bond Counsel), and Hal E. Kovert (Architect).

Discussion:

Mayor: There are a lot of exciting things happening in Jeffersonville. A lot of new businesses are coming in that will provide a lot of jobs. We have one of the three ports in Indiana and that port is in need of

additional fire protection. There are other areas of development, including the old INET location. The Army Ammunition plant, which is twenty-five thousand (25,000) acres, is being turned over to the city. They have already turned over 1,000 acres that already has about a one million square foot building under construction.

We need to relocate a fire station originally built in 1954. It used to be located on the outskirts of the city, but now the city has outgrown the limits and surrounded it, and it is no longer in a good place. It needs to be moved to 10th street, a main artery running through the city. Currently, the fire station does not have a training facility, which is desperately needed. The headquarters is located in fire station #1 and needs to be relocated in order to serve the city better.

The city garage also needs to be centrally located. We are paying rent on an old building that is not easily accessible, either by the city or by the public.

Questions by board members:

Dave: You are doing all of these projects using TIF? Do you have a map showing all the TIF areas?

Herschel: Yes, I have a map here.

Ken: What is the rationalization in using TIF?

Mayor: The two fire stations and the city garage services the whole city.

John: What were the TIF districts created to do?

Sue: They are using excess TIF revenue to complete projects that will serve the city. This is excess funding above what is needed to finance the debt of the TIF districts.

John: I am struggling with using TIF to fund these projects.

Sue: They were originally going to use EDIT funds, but the council made the decision to use TIF instead.

Dave: This map does not show the TIF districts, only the areas where the projects are being constructed.

Sue: We do not have a map showing all the TIF districts.

Dave: The purpose of TIF's is to promote economic development – correct?

Mayor: Yes.

Dave: You have already brought the businesses into the area and now you need to do these projects?

Mayor: The response time to INET is currently eight to ten minutes and it should take a maximum of four.

Fire Chief: The developed areas want the protection and services that they need. We just are not meeting that need. We are running behind in providing fire services to newly developed areas.

Dave: Our struggle is not with the need, but the use of TIF to finance the projects.

Ken: What kind of businesses are in the TIF?

Answer: Manufacturing and steel companies in the port area, located in the Clark Maritime. Retail and commercial businesses are in the other areas.

John: Who is issuing the bonds?

Sue: The building corporation and the city is leasing the buildings from the corporation. The redevelopment commission is pledging the TIF.

Lisa: Have there been any objections?

Mayor: No, none.

Sue: There have been three or four public meetings held by the city council and no showed up at the meetings.

John: It appears that you are right at 100% coverage.

Herschel: It is going to be more like two to three hundred percent.

Ken: Has there been any discussions in closing the TIF's and returning the assessed value to the units, since you have excess funding?

Mayor: The TIF area's are not even close to being built out.

Herschel: I have here a schedule of coverage that shows all the debt of the city using TIF and what the total coverage will be.

Ken: Are you planning on using the TIF districts indefinitely?

Sue: We can't answer that at this time. There may be future projects that are approved.

Herschel: This is a tool that the city is using to promote economic development.

Lisa: The residential taxpayers are the ones benefiting here.

Dan: Are the other units receiving 100% of their levy?

Herschel: Probably between 98% - 102%.

Dan: What is the most revenue received from your TIF's?

Herschel: It will ramp up to provide 329% coverage.

Dan: So you are currently receiving about a \$1 million in revenue?

Herschel: Yes, and that is after debt obligations.

Dan: Have you taken into account the 2% Circuit Breaker?

Answer: No.

John: You have provided two amortization schedules for each project with the maximum interest rate of 7%; have you pulled out the maximum payment from the highest interest rate?

Herschel: The maximum lease payment is pulled from what we think is the most realistic interest rate.

John: Our job is to be comfortable that the TIF revenue is going to be there.

Dan: On page 3 of the hearing information sheet for the fire station shows an increase in operating expenses – is that increase going to be funded within the existing rate and levy?

Fire Chief: Yes.

Dan: Also, for the city garage project you show an increase in expenses of \$1.3 million – how are you going to fund that increase?

Answer: That is not an increase in expenses; it is a continuation of the current expenses.

Dave: Here is what I would like to see:

1. I would like to see a map of the TIF districts;
2. We have an equipment list with no dollar amounts associated with them
3. Other information regarding the TIF's
 - a. Who are the key taxpayers
 - b. What is the tax base
 - c. What is the potential growth of the TIF districts
 - d. History of the TIF's
 - e. Life of the TIF districts
 - f. What the Districts looks like in relation to the projects
4. Reasoning for the use of TIF – why it is allowable for these projects

Dan: Is there a critical time factor for any of these projects?

Sue: Only in regards to the construction season.

John: I am still struggling with the use of TIF for a city garage.

Dan: Why did you split this into three issues?

Sue: We cannot make lease payments until the building is occupied. We do not know how long it will take for each project and we did not want one of them held up because the others were not complete.

Lisa: Is there one station that is more important than the others?

Fire Chief: Yes, station #4 because of the response time to get to that area from the other existing stations. The personnel and equipment have already been purchased for the new station. The only new expense will be for the building itself.

Recommendation:

Ken motioned to recommend that the three issues be tabled until next month, after additional information is received. John seconded and the motion carried 6-0.

**City of Jeffersonville, Clark County
Lease Financing**

Summary: The unit is requesting approval to execute a lease to finance the acquisition, construction, installation and equipping of land, buildings, structures and improvements comprising a new Fire Station. Maximum annual lease rental payments will not exceed \$221,000 for a term of twenty-one (21) years.

Project Costs: \$2,180,000 Amount applied to debt: \$2,180,000 Annual Payment: \$221,000

Controlled or Uncontrolled: Uncontrolled

Revenue Source for Property Tax Backup: Tax Increment Financing (TIF)

Tax Rate Impact:	2006 AV	\$976,356,890
	Levy Needed	\$221,000

Est. Tax Rate .0226

Meeting and Publication Dates:

Date of publication for a public hearing 04/21/2006
Date of public hearing 05/01/2006
Resolution/Ordinance adopted 05/01 & 24/2006
Notice of Determination 5/25/2006 & 06/01/2006

Auditor's Certificate of No Remonstrance: 06/06/2006

Common Construction Wage: 06/12/2006

Tax Rate Impact:

Tax Rate Impact on Typical Homeowner					
Assessed Value of Home	\$50,000	\$100,000	\$150,000	\$200,000	\$250,000
Mortgage Deduction	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Homestead Deduction	\$25,000	\$35,000	\$35,000	\$35,000	\$35,000
Taxable Value of Home	\$22,000	\$62,000	\$112,000	\$162,000	\$212,000
Tax Rate	2.2600%	2.2600%	2.2600%	2.2600%	2.2600%
Tax Impact	\$5	\$14	\$25	\$37	\$48

Attendance

The following people attended the meeting: Herschel Frierson (Accountant with Crowe Chizek), Rob Walz (Mayor), Clark E. Miles (Fire Chief), Ronald G. Ellis (Street Commissioner), Leslie D. Merkley (City Attorney), Tony Decker (Deputy Fire Chief), Mark McCabe (Financial Advisor), Sue Beesley (Bond Counsel), and Hal E. Kovert (Architect).

Discussion:

See discussion above

Recommendation:

Ken motioned to recommend that the three issues be tabled until next month, after additional information is received. John seconded and the motion carried 6-0.

**City of Jeffersonville, Clark County
Lease Financing**

Summary: The unit is requesting approval to execute a lease to finance the acquisition, construction, installation and equipping of land, buildings, structures and improvements comprising a new City Services Facility. Maximum annual lease rental payments will not exceed \$457,000 for a term of twenty-one (21) years.

Project Costs: \$4,615,000 Amount applied to debt: \$4,615,000 Annual Payment: \$457,000

Controlled or Uncontrolled: Uncontrolled

Revenue Source for Property Tax Backup: Tax Increment Financing (TIF)

Tax Rate Impact:	2006 AV	\$976,356,890
	Levy Needed	\$457,000
	Est. Tax Rate	.0468

Meeting and Publication Dates:

Date of publication for a public hearing	04/21/2006
Date of public hearing	05/01/2006
Resolution/Ordinance adopted	05/01 & 24/2006
Notice of Determination	5/25/2006 & 06/01/2006

Auditor's Certificate of No Remonstrance: 06/06/2006

Common Construction Wage: 06/12/2006

Tax Rate Impact:

	Tax Rate Impact on Typical Homeowner				
Assessed Value of Home	\$50,000	\$100,000	\$150,000	\$200,000	\$250,000
Mortgage Deduction	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Homestead Deduction	\$25,000	\$35,000	\$35,000	\$35,000	\$35,000
Taxable Value of Home	\$22,000	\$62,000	\$112,000	\$162,000	\$212,000
Tax Rate	4.6800%	4.6800%	4.6800%	4.6800%	4.6800%
Tax Impact	\$10	\$29	\$52	\$76	\$99

Combined Tax Rate Impact on Typical Homeowner (all three lease financing projects)

Tax Impact	\$24	\$68	\$124	\$179	\$234
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Attendance

The following people attended the meeting: Herschel Frierson (Accountant with Crowe Chizek), Rob Walz (Mayor), Clark E. Miles (Fire Chief), Ronald G. Ellis (Street Commissioner), Leslie D. Merkley (City Attorney), Tony Decker (Deputy Fire Chief), Mark McCabe (Financial Advisor), Sue Beesley (Bond Counsel), and Hal E. Kovert (Architect).

Discussion:

See discussion above.

Ken motioned to recommend that the three issues be tabled until next month, after additional information is received. John seconded and the motion carried 6-0.

**Fulton County Airport Authority, Fulton County
Establishment of a Levy**

Summary: The unit is requesting a levy to support the newly formed unit established on November 22nd 2005 and will be effective to collect property taxes in 2007.

Fund:	Budget	Levy	Rate
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General \$625,300 \$567,280 .0500

Resolutions/Ordinance: 11/22/2005

Budget Information:

Budget:			
Personnel		Supplies	
Salaries/Wages	\$104,000	Office	\$5,000
Benefits	\$46,600	Operating	\$10,000
Other		Repair/Maintenance	\$15,000
	<u>\$150,600</u>	Other	<u>\$0</u>
			<u>\$30,000</u>
Other		Capital Outlay	
Professional	\$40,000	Land	\$6,000
Communications	\$6,000	Buildings	\$50,000
Printing/Advertising	\$4,500	Improvements	\$125,000
Utility	\$54,000	Machinery/Equipment	\$15,000
Insurance	\$25,000	Other	<u>\$5,000</u>
Repairs/Maintenance	\$87,000		<u>\$201,000</u>
Rentals	\$0		
Debt Service	\$0		
Other	<u>\$27,200</u>		
	\$243,700	Total Budget	\$625,300

The benefits are 45% of salaries.

Capital Outlays capitalized over five years = \$40,200

Revised	Budget needed	Levy needed	Rate needed
	\$464,500	\$406,480	.0358

Attendance

The following people attended the meeting: Paige Gregory (Financial Advisor with H.J. Umbaugh)

Discussion:

We are asking for a maximum levy of \$567,280. The statute says a maximum rate, not a levy. The levy we are asking for is the rate of .05 times the assessed value of \$1,134,560,000. I am a little confused on what to ask for. Our intent is to have the maximum rate of five cents; the Airport is constrained by rate, not by levy.

Questions by board members:

Ken: How is the Airport organized?

Paige: They currently have a penny rate raised by the county, which generates about \$100,000. They are also financed via a contract with AirVac for \$100,000. In September 2005, AirVac resigned management of the airport. The County is now trying to fund a \$200,000 budget with taxes of \$100,000. An Airport Authority can raise their own taxes and have bonding capacity. The Board consists of four members who

are appointed by the County Commissioners, who will still have the oversight and fiscal authority. They have done without for a long time and the FFA is requiring them to have and do some of these things. The FFA is requiring them to purchase about an acre of land at the end of the runway to preclude future development on that sight. The Airport is also trying to build up some capital to reduce debt in the future. They have also built in some grant matching funds.

Ken: Do they have any operational fees, any fixed-based income?

Paige: The only revenue they have is from fuel sales and hanger rental. The airport itself generates minimal fees.

Recommendation:

Ken motioned to recommend approval of a maximum levy in the amount of \$567,280 for the general fund. Lisa seconded and the motion carried 6-0.
